

**UASAC Nordic A/S
Central Business Registration No
36422939**

Annual report 2014/15

The Annual General Meeting adopted the annual report on 24.06.2016

Chairman of the General Meeting

Name: John Hemming

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Entity details

Entity

UASAC Nordic A/S
Snorresgade 18-20
2300 Copenhagen S

Central Business Registration No: 36422939

Founded: 31.10.2014

Registered in: Copenhagen

Financial year: 31.10.2014 - 31.12.2015

Board of Directors

Detlev Werner Kerber, Chairman

Keith Martin Wicks

Sune Simonsen

Morten Jæpelt

Executive Board

Morten Jæpelt, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P.O. Box 1600

0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of UASAC Nordic A/S for the financial year 31.10.2014 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 31.10.2014 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 24.06.2016

Executive Board

Morten Jæpelt
Chief Executive Officer

Board of Directors

Detlev Werner Kerber
Chairman

Keith Martin Wicks

Sune Simonsen

Morten Jæpelt

Independent auditor's reports

To the owners of UASAC Nordic A/S

Report on the financial statements

We have audited the financial statements of UASAC Nordic A/S for the financial year 31.10.2014 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Qualification

Basis for qualified opinion

We give a qualified opinion as to the classification between the receivables from group enterprises and the debt to the shareholders recognised under other payables because it has not been possible to obtain sufficient audit evidence about the allocation of a number of payments received for freight services provided etc.

Qualified opinion

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion paragraph, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 31.10.2014 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 24.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Anders Kreiner
State Authorised Public Accountant

Management commentary

Primary activities

The primary activity of the UASAC Nordic Group consists in acting as line agent for United Arab Shipping Company in Scandinavia.

Development in activities and finances

Profit for the year amounts to DKK 105 thousand.

The Board of Directors considers the performance for the year acceptable.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

It is the Company's first financial year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Accounting policies

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and other external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales relating to revenue is accrued according to the method of revenue recognition. Other cost of sales relating to the financial year in terms of time is charged to the income statement.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Accounting policies

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Income statement for 2014/15

	<u>Notes</u>	<u>2014/15</u> <u>DKK'000</u>
Gross profit		3.953
Staff costs		(3.261)
Depreciation, amortisation and impairment losses		<u>(50)</u>
Operating profit/loss		642
Other financial income		1
Other financial expenses		<u>(38)</u>
Profit/loss from ordinary activities before tax		605
Tax on profit/loss from ordinary activities	1	<u>(500)</u>
Profit/loss for the year		<u>105</u>
Proposed distribution of profit/loss		
Retained earnings		<u>105</u>
		<u>105</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2014/15 DKK'000</u>
Other fixtures and fittings, tools and equipment		162
Property, plant and equipment	2	<u>162</u>
Investments in group enterprises		163
Fixed asset investments	3	<u>163</u>
Fixed assets		<u>325</u>
Receivables from group enterprises		1.811
Other short-term receivables		262
Receivables		<u>2.073</u>
Cash		<u>4.426</u>
Current assets		<u>6.499</u>
Assets		<u>6.824</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2014/15 DKK'000</u>
Contributed capital	4	500
Retained earnings		105
Equity		<u>605</u>
Trade payables		328
Debt to group enterprises		716
Income tax payable		500
Other payables		4.675
Current liabilities other than provisions		<u>6.219</u>
Liabilities other than provisions		<u>6.219</u>
Equity and liabilities		<u><u>6.824</u></u>
Unrecognised rental and lease commitments	5	
Contingent liabilities	6	
Related parties with control	7	

Statement of changes in equity for 2014/15

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	500	0	500
Profit/loss for the year	0	105	105
Equity end of year	500	105	605

Notes

					2014/15 DKK'000
1. Tax on ordinary profit/loss for the year					
					500
					500
					Other fixtures and fittings, tools and equipment DKK'000
2. Property, plant and equipment					
					212
					212
					(50)
					(50)
					162
					Investments in group enterprises DKK'000
3. Fixed asset investments					
					163
					163
					163
	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity interest %</u>	<u>Equity DKK'000</u>	<u>Profit/loss DKK'000</u>
Subsidiaries:					
UASAC Finland Oy AB	Finland	AB	100,00	36	26
UASAC Sweden AB	Sweden	AB	100,00	1.256	1.156

Notes

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK'000</u>
4. Contributed capital			
Share capital	500	1.000,00	500
	<u>500</u>		<u>500</u>
			<u>2014/15 DKK'000</u>
5. Unrecognised rental and lease commitments			
Commitments under rental agreements or leases until expiry			<u>1.248</u>

6. Contingent liabilities

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

7. Related parties with control

Related parties with a controlling or significant interest in UASAC Nordic A/S:

- Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S
- United Arab Shipping Co. (S.A.G.), Airport Road, Shuwaikh, Kuwait